

**2005 DRAFTING REQUEST**

**Bill**

Received: **11/17/2005**

Received By: **chanaman**

Wanted: **As time permits**

Identical to LRB:

For: **Mark Gottlieb (608) 267-2369**

By/Representing: **Denise Solie**

This file may be shown to any legislator: **NO**

Drafter: **chanaman**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - collective bargain**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Gottlieb@legis.state.wi.us**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Limits on collective bargaining awards

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**Instructions:**

See Attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	chanaman 11/17/2005	csicilia 11/18/2005		_____			S&L
/1			jfrantze 11/18/2005	_____	Inorthro 11/18/2005		S&L
/2	chanaman 11/18/2005	csicilia 11/18/2005	rschluet 11/18/2005	_____	Inorthro 11/18/2005	sbasford 11/22/2005	

FE Sent For:

<END>

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/?	chanaman	1 cjs 11/18 95	11/18	11/18			

FE Sent For:

<END>

## Hanaman, Cathlene

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**From:** Solie, Denise  
**Sent:** Wednesday, November 16, 2005 1:14 PM  
**To:** Hanaman, Cathlene; Champagne, Rick  
**Subject:** Drafting request - bill - rush

**Importance:** High

Cathlene (&/or Rick),

I am requesting that the following be drafted as a bill to amend 111.70(4), WI Stats:

No arbitration award may contain an average annual percentage increase in wages and fringe benefits per employee that exceeds the maximum percentage increase in expenditures that may be made or revenues that may be collected by the municipal employer, under state law.

Because of the session schedule for the remaining floor periods, we need to have this drafted as soon as possible.

Please contact me if you have any questions regarding this drafting request. Thanks.

Denise Solie  
Rep. Mark Gottlieb  
608.267.2370

FRIDAY

2005 - 2006 LEGISLATURE

LRB-3277/1

CH/RC/PG/JK/MS:cjs:cs

4/11/11  
T  
stays

## 2005 BILL

- SA X  
Xref X
- 1 AN ACT *to amend* 111.70 (4) (cm) 6. am., 111.70 (4) (cm) 6. b. and 111.70 (4) (cm)  
2 7.; and *to create* 111.70 (1) (ag) of the statutes; **relating to:** final offer limits  
3 under the Municipal Employment Relations Act.

### *Analysis by the Legislative Reference Bureau*

The Municipal Employment Relations Act does not limit collective bargaining agreements to any specific maximum expenditures or increases in expenditures. This bill prohibits any final offer that is submitted to the Wisconsin Employment Relations Commission for interest arbitration from requiring the expenditure for compensation and fringe benefits per employee to be more than the amount spent under the previous agreement increased by the percentage increase in available revenue (state aid and property taxes) if the employer is subject to state-imposed limitations on revenue or property tax levy. allowable allowable

Commission  
expenditures or expenditures or  
under state law  
For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

4 SECTION 1. 111.70 (1) (ag) of the statutes is created to read.



## BILL

## SECTION 1

111.70 (1) (ag) 1. Except as provided in subds. 2. and 3., if the employer is a municipal employer, "available revenue" means the sum of the allowable property tax levy and payments received under ss. 86.30 and 86.32 and subch. I of ch.79.

2. If the employer is a school district, "available revenue" has the same meaning as "revenue" in s. 121.90 (1m).

3. If the employer is a technical college district, "available revenue" means the sum of the allowable property tax levy and payments received under s. 38.28.

SECTION 2. 111.70 (4) (cm) 6. am. of the statutes is amended to read:

111.70 (4) (cm) 6. am. Upon receipt of a petition to initiate arbitration, the commission shall make an investigation, with or without a formal hearing, to determine whether arbitration should be commenced. If in determining whether an impasse exists the commission finds that the procedures set forth in this paragraph have not been complied with and such compliance would tend to result in a settlement, it may order such compliance before ordering arbitration. The validity of any arbitration award or collective bargaining agreement shall not be affected by failure to comply with such procedures. Prior to the close of the investigation each party shall submit in writing to the commission its single final offer containing its final proposals on all issues in dispute that are subject to interest arbitration under this subdivision or under subd. 5s. in collective bargaining units to which subd. 5s. applies. If the municipal employer is subject to ~~state-imposed~~ limitations on ~~revenue or property tax levy~~, a final offer may not require the expenditure for compensation and fringe benefits per employee to be more than the amount spent under the previously negotiated contract for compensation and fringe benefits per employee increased by the ~~percentage increase in available revenue~~ <sup>allowable</sup> ~~expenditures or~~ <sup>expenditures or</sup> between the last year of the previously negotiated contract and the first year of the contract that is

**BILL**

1 being negotiated. If the percentage increase in available revenue between the last  
2 year of the previously negotiated contract and the first year of the contract that is  
3 being negotiated is not known, then the final offer may not require the expenditure  
4 for compensation and fringe benefits per employee to be more than the amount spent  
5 under the previously negotiated contract increased by the most recent known  
6 percentage increase in available revenue. If the commission determines that a final  
7 offer requires greater expenditure, the commission shall return the offer to the party  
8 and the party shall revise it before submitting it again. If a party fails to submit a  
9 single, ultimate final offer, the commission shall close the investigation based on the  
10 last written position of the party. If the last written position requires greater  
11 expenditure than permitted under this subd. 6. am., the party is considered to have  
12 not submitted an offer. The municipal employer may not submit a qualified economic  
13 offer under subd. 5s. after the close of the investigation. Such final Final offers may  
14 include only mandatory subjects of bargaining, except that a permissive subject of  
15 bargaining may be included by a party if the other party does not object and shall  
16 then be treated as a mandatory subject. No later than such time, the parties shall  
17 also submit to the commission a stipulation, in writing, with respect to all matters  
18 which are agreed upon for inclusion in the new or amended collective bargaining  
19 agreement. The commission, after receiving a report from its investigator and  
20 determining that arbitration should be commenced, shall issue an order requiring  
21 arbitration and immediately submit to the parties a list of 7 arbitrators. Upon  
22 receipt of such list, the parties shall alternately strike names until a single name is  
23 left, who shall be appointed as arbitrator. The petitioning party shall notify the  
24 commission in writing of the identity of the arbitrator selected. Upon receipt of such  
25 notice, the commission shall formally appoint the arbitrator and submit to him or her

**BILL****SECTION 2**

1 the final offers of the parties. The final offers shall be considered public documents  
2 and shall be available from the commission. In lieu of a single arbitrator and upon  
3 request of both parties, the commission shall appoint a tripartite arbitration panel  
4 consisting of one member selected by each of the parties and a neutral person  
5 designated by the commission who shall serve as a chairperson. An arbitration panel  
6 has the same powers and duties as provided in this section for any other appointed  
7 arbitrator, and all arbitration decisions by such panel shall be determined by  
8 majority vote. In lieu of selection of the arbitrator by the parties and upon request  
9 of both parties, the commission shall establish a procedure for randomly selecting  
10 names of arbitrators. Under the procedure, the commission shall submit a list of 7  
11 arbitrators to the parties. Each party shall strike one name from the list. From the  
12 remaining 5 names, the commission shall randomly appoint an arbitrator. Unless  
13 both parties to an arbitration proceeding otherwise agree in writing, every  
14 individual whose name is submitted by the commission for appointment as an  
15 arbitrator shall be a resident of this state at the time of submission and every  
16 individual who is designated as an arbitration panel chairperson shall be a resident  
17 of this state at the time of designation.

18 **SECTION 3.** 111.70 (4) (cm) 6. b. of the statutes is amended to read:

19 111.70 (4) (cm) 6. b. The arbitrator shall, within 10 days of his or her  
20 appointment, establish a date and place for the conduct of the arbitration hearing.  
21 Upon petition of at least 5 citizens of the jurisdiction served by the municipal  
22 employer, filed within 10 days after the date on which the arbitrator is appointed, the  
23 arbitrator shall hold a public hearing in the jurisdiction for the purpose of providing  
24 the opportunity to both parties to explain or present supporting arguments for their  
25 positions and to members of the public to offer their comments and suggestions. The

**BILL**

1 final offers of the parties, as transmitted by the commission to the arbitrator, shall  
2 serve as the basis for continued negotiations, if any, between the parties with respect  
3 to the issues in dispute. At any time prior to the arbitration hearing, either party,  
4 with the consent of the other party, and subject to the expenditure limit in subd. 6.  
5 am., may modify its final offer in writing.

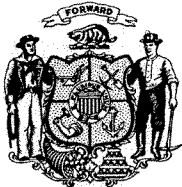
6 **SECTION 4.** 111.70 (4) (cm) 7. of the statutes is amended to read:

7 111.70 (4) (cm) 7. 'Factor Factors given greatest weight.' In making any  
8 decision under the arbitration procedures authorized by this paragraph, the  
9 arbitrator or arbitration panel shall consider and shall give the greatest weight to  
10 the expenditure limit in subd. 6. am. and any state law or directive lawfully issued  
11 by a state legislative or administrative officer, body or agency which places  
12 limitations on expenditures that may be made or revenues that may be collected by  
13 a municipal employer. The arbitrator or arbitration panel shall give an accounting  
14 of the consideration of ~~this factor~~ these factors in the arbitrator's or panel's decision.

15 **SECTION 5. Initial applicability.**

16 (1) The treatment of section 111.70 (4) (cm) 6. am. of the statutes first applies  
17 to petitions for arbitration that relate to collective bargaining agreements that cover  
18 periods beginning on or after July 1, 2006, and that are filed under section 111.70 (4)  
19 (cm) 6. of the statutes, as affected by this act, on the effective date of this subsection.

20 (END)



State of Wisconsin  
2005 - 2006 LEGISLATURE

RMR 2

LRB-4114/T

CH/RC/MS:cjs:jf

2005 BILL

TOO 1 stays

1 AN ACT *to amend* 111.70 (4) (cm) 6. am., 111.70 (4) (cm) 6. b. and 111.70 (4) (cm)  
2 7. of the statutes; **relating to:** final offer limits under the Municipal  
3 Employment Relations Act.

***Analysis by the Legislative Reference Bureau***

The Municipal Employment Relations Act does not limit collective bargaining agreements to any specific maximum expenditures or increases in expenditures. This bill prohibits any final offer that is submitted to the Wisconsin Employment Relations Commission for interest arbitration from requiring the expenditure for compensation and fringe benefits per employee to be more than the amount spent under the previous agreement increased by the allowable percentage increase in revenue if the employer is subject to expenditures or limitations on expenditures or revenue under state law.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

4 SECTION 1. 111.70 (4) (cm) 6. am. of the statutes is amended to read:  
5 111.70 (4) (cm) 6. am. Upon receipt of a petition to initiate arbitration, the  
6 commission shall make an investigation, with or without a formal hearing, to

**BILL****SECTION 1**

1 determine whether arbitration should be commenced. If in determining whether an  
2 impasse exists the commission finds that the procedures set forth in this paragraph  
3 have not been complied with and such compliance would tend to result in a  
4 settlement, it may order such compliance before ordering arbitration. The validity  
5 of any arbitration award or collective bargaining agreement shall not be affected by  
6 failure to comply with such procedures. Prior to the close of the investigation each  
7 party shall submit in writing to the commission its single final offer containing its  
8 final proposals on all issues in dispute that are subject to interest arbitration under  
9 this subdivision or under subd. 5s. in collective bargaining units to which subd. 5s.  
10 applies. If, under state law, the municipal employer is subject to limitations on  
11 expenditures or revenue, a final offer may not require the expenditure for  
12 compensation and fringe benefits per employee to be more than the amount spent  
13 under the previously negotiated contract for compensation and fringe benefits per  
14 employee increased by the allowable percentage increase in expenditures or revenue  
15 between the last year of the previously negotiated contract and the first year of the  
16 contract that is being negotiated. If the commission determines that a final offer  
17 requires greater expenditure, the commission shall return the offer to the party and  
18 the party shall revise it before submitting it again. If a party fails to submit a single,  
19 ultimate final offer, the commission shall close the investigation based on the last  
20 written position of the party. If the last written position requires greater expenditure  
21 than permitted under this subd. 6. am., the party is considered to have not submitted  
22 an offer. The municipal employer may not submit a qualified economic offer under  
23 subd. 5s. after the close of the investigation. ~~Such final~~ Final offers may include only  
24 mandatory subjects of bargaining, except that a permissive subject of bargaining  
25 may be included by a party if the other party does not object and shall then be treated

**BILL**

1 as a mandatory subject. No later than such time, the parties shall also submit to the  
2 commission a stipulation, in writing, with respect to all matters which are agreed  
3 upon for inclusion in the new or amended collective bargaining agreement. The  
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6 immediately submit to the parties a list of 7 arbitrators. Upon receipt of such list,  
7 the parties shall alternately strike names until a single name is left, who shall be  
8 appointed as arbitrator. The petitioning party shall notify the commission in writing  
9 of the identity of the arbitrator selected. Upon receipt of such notice, the commission  
10 shall formally appoint the arbitrator and submit to him or her the final offers of the  
11 parties. The final offers shall be considered public documents and shall be available  
12 from the commission. In lieu of a single arbitrator and upon request of both parties,  
13 the commission shall appoint a tripartite arbitration panel consisting of one member  
14 selected by each of the parties and a neutral person designated by the commission  
15 who shall serve as a chairperson. An arbitration panel has the same powers and  
16 duties as provided in this section for any other appointed arbitrator, and all  
17 arbitration decisions by such panel shall be determined by majority vote. In lieu of  
18 selection of the arbitrator by the parties and upon request of both parties, the  
19 commission shall establish a procedure for randomly selecting names of arbitrators.  
20 Under the procedure, the commission shall submit a list of 7 arbitrators to the  
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24 name is submitted by the commission for appointment as an arbitrator shall be a  
25 resident of this state at the time of submission and every individual who is

**BILL****SECTION 1**

1 designated as an arbitration panel chairperson shall be a resident of this state at the  
2 time of designation.

3 **SECTION 2.** 111.70 (4) (cm) 6. b. of the statutes is amended to read:

4 111.70 (4) (cm) 6. b. The arbitrator shall, within 10 days of his or her  
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24 of the consideration of this factor these factors in the arbitrator's or panel's decision.

25 **SECTION 4. Initial applicability.**



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(END)

**Basford, Sarah**

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**From:** Paulson, Darcy  
**Sent:** Tuesday, November 22, 2005 2:15 PM  
**To:** LRB.Legal  
**Subject:** Draft review: LRB 05-4114/2 Topic: Limits on collective bargaining awards

It has been requested by <Paulson, Darcy> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 05-4114/2 Topic: Limits on collective bargaining awards